



Meeting Date: 06/22/2010

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Sabrina Rodriguez, Management Analyst *[Signature]* Agenda Item No. I-6  
 Reviewed By: City Manager *[Signature]* City Attorney SvMF Finance *[Signature]* Other (Specify) \_\_\_\_\_

**DATE:** June 10, 2010

**TO:** City Council  
Community Development Commission *Curtis P. Cannon*

**FROM:** Curtis P. Cannon, Community Development Director

**SUBJECT:** Extension of Financial Agreement between the City of Oxnard and the Community Development Commission for funds in the amount of \$1,250,000 appropriated to the Central City Project Area in Fiscal Year 2003.

**RECOMMENDATION**

That City Council adopt a Resolution approving and authorizing the Mayor to execute an extension of a Financial Agreement between the Community Development Commission (“CDC”) and the City of Oxnard (“City”), in the amount of \$1,250,000, related to the 2004 acquisition of property located at 455 South “A” Street in the Central City Redevelopment Project Area (“CCRP”).

That the Community Development Commission adopt a Resolution approving and authorizing the Chairman to execute an extension of a Financial Agreement between the CDC and the City, in the amount of \$1,250,000, related to the 2004 acquisition of property located at 455 South “A” Street in CCRP.

**DISCUSSION**

On April 22, 2003, the City Council and CDC approved the execution of a financial agreement between the CDC and the City for a short term loan in the amount of \$1,250,000 for the acquisition of real property located at 455 South “A” Street (formerly known as the Bank of America building), for the implementation of a Downtown theater project.

The duration of the “short term” loan was for 14 months, from April 22, 2003 to June 30, 2004. The Financial Agreement provides for loan extension options to the CDC through June 30, 2010. During the term of the Financial Agreement, the CDC has exercised its extensions, and is now requesting that two more one-year extensions be granted and that the payment date be extended to June 30, 2012.

The general terms of the requested loan extension financial agreement between the City and the CDC are as follows:

The CDC agrees to repay the City the sum of \$1,250,000 with interest, on June 30, 2012. An interest-only payment will be due on June 30, 2011. The latest date the loan may be repaid under the proposed Financial Agreement is June 30, 2012. The loan will be repaid from tax increment revenues derived from the CCRP and Downtown Project Areas.

### **FINANCIAL IMPACT**

The deferral of the repayment will not have an impact on the operations of the General Fund, through the projected repayment period of FY 2010-2011 and FY 2011-2012. The loan will be repaid plus interest, the interest is calculated at the Local Agency Investment Fund (LAIF) rate +1%. The estimated interest for FY 2010-2011 is approximately \$75,000 and will be included in the FY 2010-2011 budget. The interest payments will be funded through CCRP Project Area Account # 401-8209-864-8508.

- Attachment #1 - City Council Resolution  
#2 - Community Development Commission Resolution  
#3 - Financial Agreement Extension

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD PROVIDING FOR EXTENSION OF TERM OF FINANCIAL AGREEMENT BETWEEN THE CITY OF OXNARD AND THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OXNARD**

WHEREAS, the City and the Commission entered into a Financial Agreement on April 22, 2003, pursuant to which the City advanced funds in the amount of \$1,250,000, to the Commission and the Commission agreed to repay the funds;

WHEREAS, the Commission previously extended the term of the Financial Agreement as a matter of right provided in the Financial Agreement; and

WHEREAS, the City and Commission agree to further extend the term of the Financial Agreement.

NOW, THEREFORE, the City Council of the City of Oxnard resolves:

1. The Extension of the Financial Agreement between the City of Oxnard and the Community Development Commission of the City of Oxnard is approved and the Mayor is authorized to execute the same.

PASSED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2010 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Dr. Thomas E. Holden, Mayor

ATTEST:

\_\_\_\_\_  
Daniel Martinez, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Alan Holmberg, City Attorney

ATTACHMENT NO. \_\_\_\_\_  
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COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OXNARD

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF OXNARD COMMUNITY DEVELOPMENT COMMISSION PROVIDING FOR EXTENSION OF TERM OF FINANCIAL AGREEMENT BETWEEN THE CITY OF OXNARD AND THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OXNARD**

WHEREAS, the City and the Commission entered into a Financial Agreement on April 22, 2003, pursuant to which the City advanced funds in the amount of \$1,250,000, to the Commission and the Commission agreed to repay the funds;

WHEREAS, the Commission previously extended the term of the Financial Agreement as a matter of right provided in the Financial Agreement; and

WHEREAS, the City and Commission agree to further extend the term of the Financial Agreement.

NOW, THEREFORE, the Community Development Commission of the City of Oxnard resolves:

1. The Extension of the Financial Agreement between the City of Oxnard and the Community Development Commission of the City of Oxnard is approved and the Chairman is authorized to execute the same.

PASSED AND ADOPTED this \_\_\_\_ day of \_\_\_\_\_, 2010 by the following vote:

AYES:

NOES:

ABSENT:

\_\_\_\_\_  
Dr. Thomas E. Holden, Chairman

ATTEST:

\_\_\_\_\_  
Daniel Martinez, Secretary

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Alan Holmberg, General Counsel

ATTACHMENT 2  
PAGE 1 OF 1

EXTENSION OF TERM OF FINANCIAL AGREEMENT  
BETWEEN THE CITY OF OXNARD AND  
THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF OXNARD

The City of Oxnard and the Community Development Commission of the City of Oxnard hereby agree to extend the payment date in the Financial Agreement between the City of Oxnard and the Community Development Commission of the City of Oxnard, Agreement No. A-6214, dated April 22, 2003, to extend the payment of the loan therein to June 30, 2012. An initial payment shall be made on June 30, 2011. All other terms of the Agreement remain in full force and effect.

Dated \_\_\_\_\_, 2010

THE CITY OF OXNARD

\_\_\_\_\_  
Dr. Thomas E. Holden, Mayor

COMMUNITY DEVELOPMENT  
COMMISSION OF THE CITY OF  
OXNARD

\_\_\_\_\_  
Dr. Thomas E. Holden, Chairman

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Alan Holmberg, City Attorney

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Alan Holmberg, General Counsel